

Fill in this information to identify your case and this filing:

Debtor 1	<u>Derek</u>	<u>Allen</u>	<u>Watson</u>
	First Name	Middle Name	Last Name
Debtor 2	<u>Megan</u>	<u>Melissa</u>	<u>Watson</u>
(Spouse, if filing)	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	<u>Western District of Washington</u>		
Case number	<u>22-11270</u>		

☒ Check if this is an amended filing

Official Form 106A/B

Schedule A/B: Property

12/15

In each category, separately list and describe items. List an asset only once. If an asset fits in more than one category, list the asset in the category where you think it fits best. Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write your name and case number (if known). Answer every question.

Part 1: Describe Each Residence, Building, Land, or Other Real Estate You Own or Have an Interest In

1. Do you own or have any legal or equitable interest in any residence, building, land, or similar property?

- ☐ No. Go to Part 2.
☒ Yes. Where is the property?

1.1 17520 Marine Drive
Street address, if available, or other description

Stanwood, WA 98292
City State ZIP Code

Snohomish
County

What is the property? Check all that apply.

- ☒ Single-family home
☐ Duplex or multi-unit building
☐ Condominium or cooperative
☐ Manufactured or mobile home
☐ Land
☐ Investment property
☐ Timeshare
☐ Other _____

Who has an interest in the property? Check one.

- ☐ Debtor 1 only
☐ Debtor 2 only
☒ Debtor 1 and Debtor 2 only
☐ At least one of the debtors and another

Other information you wish to add about this item, such as local property identification number: _____

Source of Value: Appraisal

Do not deduct secured claims or exemptions. Put the amount of any secured claims on *Schedule D: Creditors Who Have Claims Secured by Property*.

Current value of the entire property?	Current value of the portion you own?
<u>\$2,500,000.00</u>	<u>\$2,500,000.00</u>

Describe the nature of your ownership interest (such as fee simple, tenancy by the entireties, or a life estate), if known.

Fee Simple

☒ Check if this is community property (see instructions)

2. Add the dollar value of the portion you own for all of your entries from Part 1, including any entries for pages you have attached for Part 1. Write that number here.....

→ \$2,500,000.00

Debtor 1	Derek	Allen	Watson
Debtor 2	Megan	Melissa	Watson
	First Name	Middle Name	Last Name

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Part 2: Describe Your Vehicles

Do you own, lease, or have legal or equitable interest in any vehicles, whether they are registered or not? Include any vehicles you own that someone else drives. If you lease a vehicle, also report it on *Schedule G: Executory Contracts and Unexpired Leases*.

3. Cars, vans, trucks, tractors, sport utility vehicles, motorcycles

- ☐ No
☒ Yes

3.1 Make: Toyota Who has an interest in the property? Check one.
Model: Land Cruiser
Year: 2015
Approximate mileage: 40000
Other information:

☐ Debtor 1 only
☐ Debtor 2 only
☒ Debtor 1 and Debtor 2 only
☐ At least one of the debtors and another

☒ Check if this is community property (see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on *Schedule D: Creditors Who Have Claims Secured by Property*.

Current value of the entire property?	Current value of the portion you own?
<u>\$50,000.00</u>	<u>\$50,000.00</u>

If you own or have more than one, list here:

3.2 Make: Toyota Who has an interest in the property? Check one.
Model: Tundra
Year: 2014
Approximate mileage: 190000
Other information:

☐ Debtor 1 only
☐ Debtor 2 only
☒ Debtor 1 and Debtor 2 only
☐ At least one of the debtors and another

☒ Check if this is community property (see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on *Schedule D: Creditors Who Have Claims Secured by Property*.

Current value of the entire property?	Current value of the portion you own?
<u>\$10,000.00</u>	<u>\$10,000.00</u>

3.3 Make: Honda Who has an interest in the property? Check one.
Model: Civic
Year: 2017
Approximate mileage: 100000
Other information:

☐ Debtor 1 only
☐ Debtor 2 only
☒ Debtor 1 and Debtor 2 only
☐ At least one of the debtors and another

☒ Check if this is community property (see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on *Schedule D: Creditors Who Have Claims Secured by Property*.

Current value of the entire property?	Current value of the portion you own?
<u>\$15,000.00</u>	<u>\$15,000.00</u>

Debtor 1 **Derek** **Allen** **Watson**
Debtor 2 **Megan** **Melissa** **Watson**
First Name Middle Name Last Name

Case number (if known) 22-11270

3.4 Make: Acura Who has an interest in the property? Check one.

Model: MDX

Year: 2006

Approximate mileage: 211056

Other information:

- ☐ Debtor 1 only
☐ Debtor 2 only
☒ Debtor 1 and Debtor 2 only
☐ At least one of the debtors and another

☒ Check if this is community property
(see instructions)

Do not deduct secured claims or exemptions. Put the amount of any secured claims on *Schedule D: Creditors Who Have Claims Secured by Property*.

Current value of the entire property?

\$1,625.00

Current value of the portion you own?

\$1,625.00

4. **Watercraft, aircraft, motor homes, ATVs and other recreational vehicles, other vehicles, and accessories**

Examples: Boats, trailers, motors, personal watercraft, fishing vessels, snowmobiles, motorcycle accessories

- ☒ No
☐ Yes

5. Add the dollar value of the portion you own for all of your entries from Part 2, including any entries for pages you have attached for Part 2. Write that number here.....

→ \$76,625.00

Part 3: Describe Your Personal and Household Items

Do you own or have any legal or equitable interest in any of the following items?

Current value of the portion you own?
Do not deduct secured claims or exemptions.

6. **Household goods and furnishings**

Examples: Major appliances, furniture, linens, china, kitchenware

- ☐ No
☒ Yes. Describe.....

Used furniture, linens, dishes.

\$5,000.00

7. **Electronics**

Examples: Televisions and radios; audio, video, stereo, and digital equipment; computers, printers, scanners; music collections; electronic devices including cell phones, cameras, media players, games

- ☐ No
☒ Yes. Describe.....

Used tvs, laptops, tablets

\$900.00

8. **Collectibles of value**

Examples: Antiques and figurines; paintings, prints, or other artwork; books, pictures, or other art objects; stamp, coin, or baseball card collections; other collections, memorabilia, collectibles

- ☒ No
☐ Yes. Describe.....

9. **Equipment for sports and hobbies**

Examples: Sports, photographic, exercise, and other hobby equipment; bicycles, pool tables, golf clubs, skis; canoes and kayaks; carpentry tools; musical instruments

- ☒ No
☐ Yes. Describe.....

10. **Firearms**

Examples: Pistols, rifles, shotguns, ammunition, and related equipment

☒ No

☐ Yes. Describe.....

11. **Clothes**

Examples: Everyday clothes, furs, leather coats, designer wear, shoes, accessories

☐ No

☒ Yes. Describe.....

Personal Used Clothing

\$600.00

12. **Jewelry**

Examples: Everyday jewelry, costume jewelry, engagement rings, wedding rings, heirloom jewelry, watches, gems, gold, silver

☒ No

☐ Yes. Describe.....

13. **Non-farm animals**

Examples: Dogs, cats, birds, horses

☒ No

☐ Yes. Describe.....

14. **Any other personal and household items you did not already list, including any health aids you did not list**

☒ No

☐ Yes. Describe.....

15. **Add the dollar value of all of your entries from Part 3, including any entries for pages you have attached for Part 3. Write that number here**



\$6,500.00

Part 4: Describe Your Financial Assets

Do you own or have any legal or equitable interest in any of the following?

Current value of the portion you own?
Do not deduct secured claims or exemptions.

16. **Cash**

Examples: Money you have in your wallet, in your home, in a safe deposit box, and on hand when you file your petition

☒ No

☐ Yes..... Cash.....

17. **Deposits of money**

Examples: Checking, savings, or other financial accounts; certificates of deposit; shares in credit unions, brokerage houses, and other similar institutions. If you have multiple accounts with the same institution, list each.

☐ No

☒ Yes.....

Institution name:

17.1. Checking account:

Key Bank

\$500.00

18. **Bonds, mutual funds, or publicly traded stocks**

Examples: Bond funds, investment accounts with brokerage firms, money market accounts

- ☒ No
☐ Yes.....

Institution or issuer name:

19. **Non-publicly traded stock and interests in incorporated and unincorporated businesses, including an interest in an LLC, partnership, and joint venture**

- ☒ No
☐ Yes. Give specific information about them.....

Name of entity:	% of ownership:
_____	_____

20. **Government and corporate bonds and other negotiable and non-negotiable instruments**

Negotiable instruments include personal checks, cashiers' checks, promissory notes, and money orders.
Non-negotiable instruments are those you cannot transfer to someone by signing or delivering them.

- ☒ No
☐ Yes. Give specific information about them.....

Issuer name:

21. **Retirement or pension accounts**

Examples: Interests in IRA, ERISA, Keogh, 401(k), 403(b), thrift savings accounts, or other pension or profit-sharing plans

- ☒ No
☐ Yes. List each account separately.

Type of account:	Institution name:
401(k) or similar plan:	_____
Pension plan:	_____
IRA:	_____
Retirement account:	_____
Keogh:	_____
Additional account:	_____

22. **Security deposits and prepayments**

Your share of all unused deposits you have made so that you may continue service or use from a company
Examples: Agreements with landlords, prepaid rent, public utilities (electric, gas, water), telecommunications companies, or others

☒ No
☐ Yes.....

Institution name or individual:

Electric: _____

Gas: _____

Heating oil: _____

Security deposit on rental unit: _____

Prepaid rent: _____

Telephone: _____

Water: _____

Rented furniture: _____

Other: _____

23. **Annuities** (A contract for a periodic payment of money to you, either for life or for a number of years)

☒ No
☐ Yes.....

Issuer name and description:

24. **Interests in an education IRA, in an account in a qualified ABLE program, or under a qualified state tuition program.**

26 U.S.C. §§ 530(b)(1), 529A(b), and 529(b)(1).

☒ No
☐ Yes.....

Institution name and description. Separately file the records of any interests. 11 U.S.C. § 521(c):

25. **Trusts, equitable or future interests in property (other than anything listed in line 1), and rights or powers exercisable for your benefit**

☒ No
☐ Yes. Give specific information about them....

Debtor 1
Debtor 2

**Derek
Megan**

First Name

**Allen
Melissa**

Middle Name

**Watson
Watson**

Last Name

Case number (if known) **22-11270**

26. Patents, copyrights, trademarks, trade secrets, and other intellectual property

Examples: Internet domain names, websites, proceeds from royalties and licensing agreements

☒ No

☐ Yes. Give specific
information about them....

27. Licenses, franchises, and other general intangibles

Examples: Building permits, exclusive licenses, cooperative association holdings, liquor licenses, professional licenses

☒ No

☐ Yes. Give specific
information about them....

Money or property owed to you?

**Current value of the
portion you own?**
Do not deduct secured
claims or exemptions.

28. Tax refunds owed to you

☒ No

☐ Yes. Give specific information about
them, including whether you
already filed the returns and
the tax years.....

Federal:

State:

Local:

29. Family support

Examples: Past due or lump sum alimony, spousal support, child support, maintenance, divorce settlement, property settlement

☒ No

☐ Yes. Give specific information.....

Alimony:

Maintenance:

Support:

Divorce settlement:

Property settlement:

30. Other amounts someone owes you

Examples: Unpaid wages, disability insurance payments, disability benefits, sick pay, vacation pay, workers' compensation, Social Security benefits; unpaid loans you made to someone else

☒ No

☐ Yes. Give specific information.....

Debtor 1
Debtor 2

**Derek
Megan**

First Name

**Allen
Melissa**

Middle Name

**Watson
Watson**

Last Name

Case number (if known) **22-11270**

31. Interests in insurance policies

Examples: Health, disability, or life insurance; health savings account (HSA); credit, homeowner's, or renter's insurance

☐ No

☒ Yes. Name the insurance company of each policy and list its value....

Company name:

Beneficiary:

Surrender or refund value:

**Federated Life Ins Company - Term Life
Ins Policy**

\$23.87

**Federated Life Ins Policy - Disability
Policy**

\$0.00

**Federated Life Ins Policy (cash surrender
value)**

\$2,489.37

32. Any interest in property that is due you from someone who has died

If you are the beneficiary of a living trust, expect proceeds from a life insurance policy, or are currently entitled to receive property because someone has died.

☒ No

☐ Yes. Give specific information.....

33. Claims against third parties, whether or not you have filed a lawsuit or made a demand for payment

Examples: Accidents, employment disputes, insurance claims, or rights to sue

☐ No

☒ Yes. Describe each claim.....

See Attached.

unknown

34. Other contingent and unliquidated claims of every nature, including counterclaims of the debtor and rights to set off claims

☒ No

☐ Yes. Describe each claim.....

35. Any financial assets you did not already list

☒ No

☐ Yes. Give specific information.....

36. Add the dollar value of all of your entries from Part 4, including any entries for pages you have attached for Part 4. Write that number here..... →

\$3,013.24

Part 5: Describe Any Business-Related Property You Own or Have an Interest In. List any real estate in Part 1.

37. Do you own or have any legal or equitable interest in any business-related property?

☒ No. Go to Part 6.

☐ Yes. Go to line 38.

Debtor 1 **Derek** **Allen** **Watson**
Debtor 2 **Megan** **Melissa** **Watson**
First Name Middle Name Last Name

Case number (if known) **22-11270**

Current value of the portion you own?
Do not deduct secured claims or exemptions.

38. **Accounts receivable or commissions you already earned**

☒ No
☐ Yes. Describe.....

39. **Office equipment, furnishings, and supplies**

Examples: Business-related computers, software, modems, printers, copiers, fax machines, rugs, telephones, desks, chairs, electronic devices

☒ No
☐ Yes. Describe.....

40. **Machinery, fixtures, equipment, supplies you use in business, and tools of your trade**

☒ No
☐ Yes. Describe.....

41. **Inventory**

☒ No
☐ Yes. Describe.....

42. **Interests in partnerships or joint ventures**

☒ No
☐ Yes. Describe.....

Name of entity: _____ % of ownership: _____%

43. **Customer lists, mailing lists, or other compilations**

☒ No
☐ Yes. Do your lists include personally identifiable information (as defined in 11 U.S.C. § 101(41A))?

☒ No
☐ Yes. Describe.....

44. **Any business-related property you did not already list**

☒ No
☐ Yes. Give specific information.....

45. **Add the dollar value of all of your entries from Part 5, including any entries for pages you have attached for Part 5. Write that number here..... →**

\$0.00

Part 6: Describe Any Farm- and Commercial Fishing-Related Property You Own or Have an Interest In.
If you own or have an interest in farmland, list it in Part 1.

46. Do you own or have any legal or equitable interest in any farm- or commercial fishing-related property?
☒ No. Go to Part 7.
☐ Yes. Go to line 47.

Current value of the portion you own?
Do not deduct secured claims or exemptions.

47. Farm animals
Examples: Livestock, poultry, farm-raised fish
☒ No
☐ Yes.....

48. Crops—either growing or harvested
☒ No
☐ Yes. Give specific information.....

49. Farm and fishing equipment, implements, machinery, fixtures, and tools of trade
☒ No
☐ Yes.....

50. Farm and fishing supplies, chemicals, and feed
☒ No
☐ Yes.....

51. Any farm- and commercial fishing-related property you did not already list
☒ No
☐ Yes. Give specific information.....

52. Add the dollar value of all of your entries from Part 6, including any entries for pages you have attached for Part 6. Write that number here.....→

\$0.00

Part 7: Describe All Property You Own or Have an Interest in That You Did Not List Above

53. Do you have other property of any kind you did not already list?
Examples: Season tickets, country club membership
☒ No
☐ Yes. Give specific information.....

54. Add the dollar value of all of your entries from Part 7. Write that number here.....→

\$0.00

Part 8: List the Totals of Each Part of this Form

Official Form 106A/B

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Schedule A/B: Property

page 10

Debtor 1 **Derek** **Allen** **Watson**
Debtor 2 **Megan** **Melissa** **Watson**
First Name Middle Name Last Name

Case number (if known) **22-11270**

55.	Part 1: Total real estate, line 2.....→		\$2,500,000.00
56.	Part 2: Total vehicles, line 5	\$76,625.00	
57.	Part 3: Total personal and household items, line 15	\$6,500.00	
58.	Part 4: Total financial assets, line 36	\$3,013.24	
59.	Part 5: Total business-related property, line 45	\$0.00	
60.	Part 6: Total farm- and fishing-related property, line 52	\$0.00	
61.	Part 7: Total other property not listed, line 54	+ \$0.00	
62.	Total personal property. Add lines 56 through 61.....	\$86,138.24	Copy personal property total→ + \$86,138.24
63.	Total of all property on Schedule A/B. Add line 55 + line 62.....		\$2,586,138.24

SCHEDULE A/B: PROPERTY

Continuation Page

33. Claims against third parties, whether or not you have filed a lawsuit or made a demand for payment

Accepted Homeowner's Insurance Policy against Liberty Mutual - Liberty Mutual is paying for legal defense regarding the Chung claims against the Watsons Chung v. Watson (Snohomish County) SCSC No. 16-2-02410-4, and have paid for the appraisal of their property and other fees and expenses of litigation. (Post-petition, the Watsons received reimbursements of \$14,0000 in cashier's checks for litigation costs previously paid by Debtors)

unknown

Chung v. Watson (Snohomish County Superior Court) SCSC No. 16-2-02410-4 - Claims and Crossclaims and Third-Party claims filed. The Parties are Terje I. Leiren and Ingunn B. Leiren, Thomas Chung and Sandra Chung and the Hughes Survivor's Trust, and Derek and Megan Watson. The Watsons have counterclaims against Thomas Chung and Sandra Chung for Trespass/Quiet Title – Beach, Bluff & Tram, Continuing Nuisance – Bluff Encroachment, Quiet Title – South 30 Feet of Lot 39, Trespass/Quiet Title – Deeded Easements, Quiet Title – Well Access-Water Use Rights, Unlawful Encroachment – Pole Structure – Garage, Nuisance/Spite Fence – Pole Structure – Garage, Breach of Covenant Running with the Land – Pole Structure, Trespass/Waste – Pole Structure – Garage, Negligence/Water Trespass – Pole Structure – Garage, Waste – Loss of Lateral Support at Toe of Bluff. The Watsons have Cross Claims against Terje I. Leiren and Ingunn B. Leiren for Bad Faith-Failure to Defend, Misrepresentation – South 30 Feet & Assoc. Deeded Rights, Negligence – Failure to Transfer Complete and Accurate Parcels, and Negligent Transfer – Loss of Rights. Additionally, crossclaims against Paramount Residential Mortgage Group, Inc. as a necessary party, because that lender's security interest in the Chungs' property could be compromised by the Watsons' claim of ownership of a portion of land that the security interest may cover and also because of easement and well rights on the Chung parcel for the benefit of the Watsons. On December 2017, the Watsons obtained a partial summary judgment against Terje I. Leiren and Ingunn B. Leiren all other claims are pending and unresolved.

unknown

Watson v. Windermere (Snohomish County) SCSC No. 20-2-01655-31 - The parties to this action are the Wastons, Windermere Real Estate Services Co, RMCR, Inc., and J.P. Deboer. Causes of action include misrepresentation, breach of statutory duties under RCW 18.86.030, Breach of Broker Statutory Duties under RCW 18.18.275, Consumer Protection Act, RCW 19.86, and Negligent Supervision. The Watsons's appealed a dismissal on August 18, 2022, (Case No. 20-2-01655-31)

unknown

Attorney Malpractice Lawsuit - Case No. No. 21-2-03478-7 2 - Watson v. Schwabe, Williamson & Wyatt, P.C.; Williams, Kastner & Gibbs, PLLC; Levy Von Beck Comstock, P.S., and Williams Kastner & Gibbs and Robert Sargeant. Malpractice Action with counterclaims filed with a proof of claim for \$9,961.23 in this bankruptcy (claim# 13). The Watsons filed a notice of appeal on 6/2/2022 to Division I that was rejected as interlocutory pending a final atty fee judgment which was sent to arbitration on 7/1/2022. Further proceedings were stayed by this bankruptcy but the Watsons intend to appeal the dismissal of their claims as soon as that stay is lifted.

unknown

Lawsuit regarding WaFed and First Am Title Ins - Appeal filed in Division 1 Case No. 843869. The trial case# 20-2-01656-31 - Snohomish County Superior Court - Watson v. Washington Federal Bank and First American Title Insurance. This pending lawsuit alleges claims for breach of contract, breach of fiduciary duty - conversion, failure to intervene, fraudulent inducement, and violations of the consumer protection act. The Debtors allege that WaFed and First America Title failed to discover and/or disclose title defects which led to the Watsons closing on their loan. The Watsons were both sold land and given deeds with incomplete and inaccurate legal descriptions which conveyed land which was illegally subdivided. Despite this Washington Federal and First American Title proceeded with the transaction in spite of actual and constructive knowledge, causing years in litigation and damages.

unknown

Potential Bad Faith, Rico Claims, and negligence, breach of fiduciary duty, and violation of the consumer protection laws against Old Republic National Title Insurance Co. and Old Republic Title, Ltd, individual officers of both entities, Ingunn Leiren and John Fowler, Williams International, John Landcaster, and Tracy Ogston. Claims are for a bad faith and RICO claims for the issuance of a title policy and the denial of the Watson's request for a defense under the policy for known title defects on the Watson's property that led to the Watsons closing on their loan.

unknown

Fill in this information to identify your case:

Debtor 1	<u>Derek</u>	<u>Allen</u>	<u>Watson</u>
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)	<u>Megan</u>	<u>Melissa</u>	<u>Watson</u>
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	<u>Western District of Washington</u>		
Case number (if known)	<u>22-11270</u>		

☒ Check if this is an amended filing

Official Form 106Dec

Declaration About an Individual Debtor's Schedules

12/15

If two married people are filing together, both are equally responsible for supplying correct information.

You must file this form whenever you file bankruptcy schedules or amended schedules. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$250,000, or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Sign Below

Did you pay or agree to pay someone who is NOT an attorney to help you fill out bankruptcy forms?

☒ No

☐ Yes. Name of person _____ Attach *Bankruptcy Petition Preparer's Notice, Declaration, and Signature (Official Form 119)*.

Under penalty of perjury, I declare that I have read the summary and schedules filed with this declaration and that they are true and correct.

X /s/ Derek Allen Watson
Derek Allen Watson, Debtor 1

X /s/ Megan Melissa Watson
Megan Melissa Watson, Debtor 2

Date 11/22/2022
MM/ DD/ YYYY

Date 11/22/2022
MM/ DD/ YYYY